

Procedure for Sale of Assets

1. List of Assets

Highveld Steel is desirous to sell the following assets, which can be purchased or leased on an as is where is basis. Support functions and utilities are available on site and can be provided at a rate. The available facilities / utilities are listed under clause 3 below and the prospective purchaser / lessee will have to indicate required utilities and services at the time of submitting a formal offer, where after a quote will be provided.

<u>Equipment</u>	<u>Description</u>
Vanadium plant	Crushing and screening plant
Structural mill	Structural steel rolling mill
Iron plant no.2	Open Slag Bath (OSB) arc furnace
Iron plant no.1	Furnaces 1,5 & 6 (OSB) with 5 kilns
Heavy duty shop	Heavy duty side of central workshops
Machine shop	Medium duty side of central workshops
Segment shop	Steel plant segment repair shop
Rotary pre-reduction kilns	Complete kiln units from pulverised fuel (PF) to gas stack
Training centre	Complete training centre – theoretical / apprentice training
Compressor house steelworks	Complete compressors (Centac x3 and Coopers x1)
Compressors EHV 1 & 2	Complete compressors (Coopers x 2)
Vanadium Titanium Resource	Stockpile of 42 000 000 tons
Devanadised Iron Resource	Stockpile of 17 000 000 tons
Tipler No.2 IRM1	Complete unit

2. Process

All assets are catalogued and a prospectus is available for each asset.

- 2.1 Interested parties are contacted and referred to the Highveld Steel web site, where all details are available.
- 2.2 Each interested party will be requested to indicate which asset (s) they are interested in.
- 2.3 Before any discussion can take place regarding any asset, the information following below need to be supplied to Highveld Steel, where after a committee will evaluate the potential bidder and pre-qualify the bidder and confirm same to the bidder.
- 2.4 All the information will be verified and any additional information / clarifying data will be requested from the bidder.
- 2.5 Once the bidder has been pre-qualified and has reviewed the relevant prospectus for the asset of interest, then the prospective bidder can make contact with the following individuals, to arrange for a site visit. Any reasonable additional information requested by the bidder will be supplied, with an indicative time line of two weeks. The individuals are:
 - 2.5.1 Charles Prinsloo – email charlesp@evrazhighveld.co.za.
 - 2.5.2 Jacques Findlay – email jacquesfi@evrazhighveld.co.za.
- 2.6 Once the prospective bidder acknowledges that all required information has been provided, which in the absence of any contrary statement in writing from the bidder will be taken to be 14 days after the last data was submitted, the bidder will have a maximum period of 6 weeks, subject to the asset / complexity of the asset, to make a binding offer in writing on the asset, be it to lease or purchase same. Such a bid has to detail the following, as a minimum:
 - 2.6.1 Asset name and whether offer is to purchase or lease.
 - 2.6.2 Indicative offer price in ZAR.
 - 2.6.3 Details on payment terms, if any.
 - 2.6.4 Effective date from which occupancy / ownership is required.

- 2.6.5 Utilities / services that will be required.
- 2.6.6 In case of a lease, rental per annum in ZAR, as well as term of rental in increments of one year.
- 2.6.7 Bids to be emailed to:
 - 2.6.7.1 Jacques Findlay - jacquesfi@evrazhighveld.co.za.
 - 2.6.7.2 Connie Carelse - conniec@evrazhighveld.co.za.

REQUIRED COMPANY DOCUMENTATION	
Certificate of incorporation or registration certificate	CM1
Certificate of Name Change (if applicable)	CM9
Proof of Registered Address of Company	CM22
Proof of Directors of the Company	CM29
Proof of Physical/Trading Address of Company	Utility bill, certified copy of a lease agreement or an affidavit confirming the address (not older than 3 months)
A certified copy of the document reflecting the income tax number of the Company	A document issued by SARS
A certified copy of the document reflecting VAT number (if applicable)	A document issued by SARS
Proof of authority to act on behalf of the company	A certified copy of a board resolution OR an affidavit confirming that a person is authorised to act on behalf of the company.
Identity of the authorised person	A certified copy of the Identity Document of the authorised person (not older than 3 months)
Proof of address of the authorised person	Utility bill, certified copy of a lease agreement or affidavit confirming residence (not older than 3 months)

3. Utilities

The following utilities (not an exhaustive list) could be made available at a fee / subject to a consumption fee:

- 3.1 Electricity.
- 3.2 Water.
- 3.3 Gases – oxygen, nitrogen, argon, Gascor.
- 3.4 Waste / refuse removal.
- 3.5 IT infrastructure – wifi, communications, telephones.
- 3.6 Security / alarm systems (other than access control).
- 3.7 Time / attendance recording.